(b) In States with separate Departments handling the subjects of water and sanitation, two separate units have been accepted, as demanded by such States.

(c) Proposals for separate Communication and Capacity Development Units have been received from Gujarat, Uttar Pradesh, West Bengal and Kerala. All proposals have been accepted and funds have been released in 2007-08.

Revival of sick industries

*286. SHRI O. T. LEPCHA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether it is a fact that the level of industrial sickness in the country is increasing;

(b) if so, the details thereof and the reasons therefor; and

(c) the steps being taken or proposed to be taken by Government for revival of sick industries?

THE MINISTER OF COMMERCE AND INDUSTRY (SHRI KAMAL NATH): (a) and (b) As per the data compiled by the Reserve Bank of India, the comparative position of number of sick Micro and Small Enterprises (MSEs) as at the end of March, 2004 and March, 2007 is as under:

As at end of March	*Total no. of sick MSEs*
2004	138811
2007	114132

Board of Industrial and Financial Reconstruction (BIFR) maintains record of industries in public and private sectors which register themselves with BIFR under the provisions of the Sick Industrial Companies (Special Provisions) Act, 1985 (SICA). As per the information received from the Board of Industrial and Financial Reconstruction (BIFR), the number of cases registered in 2004, 2005 and 2006 is 399, 180 and 118 respectively.

There is no increase in the number of cases declared sick.

According to the BIFR, the sick industrial companies attribute change in Government policies, managerial problems, production and technical problems, marketing problems, financial problems, lack of adequate infrastructure, delay in sanction and disbursement of Term Loan by financial institutions and banks and high interest costs as the reasons for industrial sickness/closure at the time of registration with the Board.

(c) Besides providing a policy regime that facilitates and fosters growth and development of industries, steps taken for revival of sick industrial units, *inter-alia,* include setting up of Board of Industrial and Financial Reconstruction (BIFR) and issue of guidelines by Reserve Bank of India to banks for financial support and amalgamation of sick units with healthy units. Wherever feasible, rehabilitation schemes are sanctioned for the revival of the units registered with the BIFR which, *inter alia,* include restructuring of the capital, induction of fresh funds by the promoters, Government assistance for public sector units, merger with other companies, relief and concessions in the form of rescheduling of dues by Financial Institutions, banks and Government and change of management.